

Evan Livingstone, SBN 252008  
Attorney at Law  
740 4<sup>th</sup> St, Ste 215  
Santa Rosa CA 95404  
Phone: (707) 206-6570  
Fax: (707) 676-9112  
Email: [evanmlivingstone@gmail.com](mailto:evanmlivingstone@gmail.com)

Attorney for Debtor Javier U Ramiriz and Maria Isabel Hernandez

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

In re: Case No. 14-10862

Javier U Ramiriz and Maria Isabel Hernandez Chapter 12  
Debtor(s)

## CHAPTER 12 PLAN

Javier U Ramiriz and Maria Isabel Hernandez (collectively, the “Debtors”) propose this plan of reorganization (the “Plan”) pursuant to the provisions of Chapter 12 of the Bankruptcy Code.

This Plan sets forth the Debtors' proposal for the satisfaction of certain claims against the Debtors. The Debtors hereby request that the Bankruptcy Court confirm the Plan. Further, pursuant to 11 U.S.C. § 1222(c), Debtors herein request that payments on the Plan extend to five (5) years.

The effective date (“Effective Date”) of the plan shall be the day the Bankruptcy Court enters an order confirming the plan.

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1 **ARTICLE II**

2 **TREATMENT OF CLAIMS UNDER THE PLAN**

3 2.1. **Class 1 is impaired. (Secured claim of Wells Fargo Home Mortgage)** The  
4 holder of the Class 1 claim shall be paid the total amount of holder's allowed secured claim  
5 (estimated to be \$334,491) or an amount equal to the holder's interest in the Debtor's interest in  
6 the collateral, to be determined in accordance with Section 506 of the Bankruptcy Code,  
7 whichever amount is less. The payments shall be made in equal monthly installments of  
8 principal and interest at a market rate based upon a 40 year amortization. The market rate shall  
9 be 3.5%, unless the court determines otherwise at confirmation. The value of the collateral shall  
10 be \$453,544, unless the Court determines otherwise at confirmation. Such holder shall retain its  
11 interest in the collateral, subject to avoidance by the Debtors of such interest pursuant to Section  
12 506 of the Bankruptcy Code.

13 Any escrow amounts due for property taxes or insurance shall be made directly by the  
14 Debtors to the holder of the claim.

15 2.2. **Class 2 is not impaired. (Secured Claims of Wells Fargo Home Mortgage**  
16 **and Select Portfolio Servicing).** The holder of the Class 2 claims shall be paid directly by the  
17 Debtors under the terms of the original purchase and financing agreement.

18 2.3. **Class 3 is not impaired. (Secured Claim of The Security Mortgage Group).**  
19 The holder of the Class 3 claim shall be paid directly by the Debtors under the terms of the  
20 original purchase and financing agreement.

21 2.4. **Class 4 is impaired. (Priority Claims).** The holders of Class 4 claims shall be  
22 paid in equal monthly installments over the term of the plan.

23 2.5. **Class 5 (General Unsecured Claims).** The holders of Class 5 claims shall be  
24 paid pro-rata, all remaining funds after payments of the impaired claims listed above. The

1 amount to be paid to this class is approximately \$1,037. Debtors estimate that holders of the  
2 allowed unsecured claims would receive the sum of \$1,037 if the estate were liquidated under  
3 Chapter 7 of the Code.

### 4 **ARTICLE III**

#### 5 **PLAN PAYMENTS AND EXPENSES OF ADMINISTRATION**

6 3.1 **Payments.** Commencing on the Effective Date of the Plan Debtors shall make  
7 payments to the Trustee on a monthly basis on the 20th day of each month for the term of the  
8 plan.

9 3.1.1. **The plan payments are estimated to be \$1,758 per month for 60 months.** All  
10 impaired claims shall be paid through the Chapter 12 Trustee. The monthly payments on the  
11 individual impaired claims are estimated as follows:

12 Class 1 Claim (Claim of Wells Fargo Home Mortgage): estimated at \$1,296 for 60  
13 months. At the conclusion of the Plan, the Debtors shall make payments directly to the holder of  
14 the claim.

15 Class 4 Claim (Priority Claims) estimated at \$250 for 60 months.

16 Class 5 claims shall be paid once all priority, and administrative claims have been paid in  
17 full.

18 3.1.2 **Trustee Fees.** The Trustee shall be paid as provided by the Bankruptcy Code.

19 3.1.3. **Debtors' Counsel Fees.** Counsel for Debtors has received a total of \$2,000 prior to  
20 the filing of the case. Counsel for Debtors shall apply to the Court for allowance of any future  
21 fees or expenses. Any future administrative expenses that may be allowed to Debtors' counsel  
22 shall be disbursed by the Chapter 12 Trustee from funds paid to the Trustee by the Debtors. Said  
23 funds shall be disbursed after disbursement of the estimated monthly payments referenced in  
24 section 3.1.1 of the Plan.

1 **ARTICLE IV**

2 **MISCELLANEOUS**

3 4.1. **De Minimis Distributions.** Notwithstanding any other provision of the Plan,  
4 distributions of less than \$100.00 need not be made on account of any allowed claim. Any  
5 distributions that would otherwise be made but for this provision shall carry over until the next  
6 distribution date until the cumulative amount to which any holder of an allowed claim is entitled  
7 to more than \$100.00, at which time the cumulative amount of such distributions will be paid to  
8 such holder.

9 4.2. **Vesting.** The Debtors shall be revested with the assets of the estate on the  
10 Effective Date of the Plan subject to the terms of the Plan.

11 4.3. **Post-Confirmation Management.** After confirmation of the plan, the Debtors  
12 shall be free to operate their farming operations without further supervision or control by the  
13 Bankruptcy Court and free of any restrictions imposed by the Bankruptcy Code except as  
14 provided in the Plan or by an order of the Bankruptcy Court. Specifically and without limitation,  
15 the Debtors may sell, lease, or refinance their property without further Order of Court, upon  
16 written approval of the Chapter 12 Trustee.

17 4.4. **Tax Returns.** The Debtors shall file all future tax returns and pay any and all  
18 taxes owed on a timely basis. Copies of all filed returns shall be provided to Trustee within 30  
19 days of filing.

20  
21 Dated: September 4, 2014

/s/Javier U Ramirez  
Javier U Ramirez , Debtor

22  
23 Dated: September 3, 2014

/s/Maria Isabel Hernandez  
Maria Isabel Hernandez